



EFFECTS OF DIGITAL MARKETING ON SMES PERFORMANCE IN NORTH-EAST NIGERIA

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Introduction

Changes in technology have reshaped the means and approach of doing business. This is the business mode, which swings the world of sharing thoughts and ideas as communication, which requires attention and feedback or responses. The ideology, coupled with the keen interest of today's generation of youth with more interest in information sourcing and effective communication of ideas through the Internet. This has prompted many, if not all, professionals and practitioners, both local and international, to adopt technological dynamism. Even though marketing is naturally dynamic, because of the stages of its orientation time after time (production orientation, sales orientation, marketing orientation and consumer orientation stages). The business world has the greater advantage of unifying the global market to have a relationship with consumers, customers and prospects in a global village.

The concept of globalization is to promote and spread the idea of interaction within a global village, as a process by which businesses and other organizations will develop influence or start operation on international scales google (2019) The discoveries of technology has redefined marketing as more of a related field and has embraced the dot com (.com) world as a medium of creating value, and building buyer relationships competitive

Moreover, it is believed that the supportive technology has made the practice of customer relationship management more effective, and the internet has made it possible for marketing firms to manage the streams of interaction touch-points in the entire relationship with buyers online or

off-line P. Kotler and Keller. (2016) Believed that “Today, the e-commerce marketing research and practice is characterized with concepts such as database marketing, cross-marketing selling, and the use of the web in building brand communities, crowdsourcing, e-retailing, e-marketing selling, etc.

The development of Information and communication technology employ the internet, which calls for adoption, has brought changes and results to performance, growth and expansion for small and medium businesses. The new methods of conducting a business transaction affect our lives through professions including marketing, accounting, management etc. According to P. Kotler and J. Armstrong (2017), the term “marketing” connotes to most people a function peculiar to business firms. Marketing is seen as minding and stimulating buyers for the firm’s output. It involves product and services development, pricing, distribution, and effective communication of ideas, products and services in a more progressive way to achieve its desired objectives. These continuously grab attention to satisfy buyers.

Whether marketing is viewed in the old sense of “pushing” products or in the new sense of “customer satisfaction in pull marketing point of view,” it is almost always viewed and discussed as a business activity that helps to increase living standards and performance. Marketing is an all-encompassing societal activity that goes considerably beyond the selling but satisfying by production and the servicing in the environments in which marketing exists, e.g. Political contests remind us that all political candidates are marketed as well just as products such as detergents or student recruitment by colleges or universities reminds us that higher education is marketed. Fundraising reminds us that ideas and problems are causes marketed anywhere. With cheaper handsets from china, second-hand devices, and fairly used from Belgium, technology gains a strong foothold in the local areas; therefore, local products can be marketed with different digital marketing channels online or offline.

Local producers selling farm produce, crafts or skills and know-how, be communicated, as such local entrepreneurs will become more popular, putting local products and services through digital marketing platforms via simple, smartphone devices with simple apps will help local small and medium enterprises to communicate to their buyers within and outside local areas if not to the

whole world as marketing environment. Innovative local marketers try to explore ways to use the power of this emerging technology to connect with their target audience. To understand digital marketing: marketing strategies for engaging the digital generation / Damian Ryan and Calvin Jones world are changing with the use of digital media at a phenomenal pace. It is constantly dynamic technologies, and the way people are using them is transforming how we access our information and how we interact and communicate with one another on a global scale. Changing the way, we decide to buy our products and services. People embrace digital technology to communicate in ways that would have been inconceivable just a few short years ago.

That new era of digital online technologies re-defined new marketing environments and online communities. The massive expansion in digital media positioned the Internet as one of the most important marketplaces. However, SMEs in Nigeria face numerous challenges, including limited access to funding, inadequate infrastructure, and a weak regulatory environment. In recent years, the rise of digital marketing has provided an opportunity for SMEs to overcome some of these challenges and improve their performance.

Digital marketing refers to the use of digital channels such as social media, email, and websites to promote products and services. In North-East Nigeria, SMEs operate in a region that has been affected by various socio-economic and security challenges, including insurgency and limited access to infrastructure. These challenges have negatively impacted the performance of SMEs in the region. Therefore, understanding the effects of digital marketing on SMEs performance in North-East Nigeria is essential for developing strategies that can help SMEs to overcome these challenges and improve their performance.

This research paper aims to examine the effects of digital marketing on SMEs performance in North-East Nigeria. The research objectives are to: (i) assess the current state of digital marketing in North-East Nigeria, (ii) determine the impact of digital marketing on SMEs performance in the region, and (iii) provide recommendations for SMEs on how to use digital marketing to improve their performance. The paper's significance is to provide insights for policymakers, practitioners, and academics on the role of digital marketing in improving SMEs' performance in North-East

Nigeria. The study contributes to the existing literature on digital marketing and SMEs performance in emerging markets and Nigeria.

In the next section, the literature review provides an overview of digital marketing and SMEs and existing research on digital marketing and SMEs performance in Nigeria

Literature Review

Digital Marketing and SMEs

Small and medium-sized enterprises (SMEs) play a vital role in the economic growth and development of most countries. In recent years, the rise of digital marketing has provided SMEs with an opportunity to overcome some of the challenges they face and improve their performance. Digital marketing refers to the use of digital channels such as social media, email, and websites to promote products and services. Digital marketing has become an essential tool for SMEs to reach their target market, increase sales, and improve their brand image (Kapoor, Dwivedi, and Nangia, 2021).

In Nigeria, SMEs are the backbone of the economy, accounting for over 90% of all businesses in the country (Adedeji and Owolabi, 2017). However, SMEs in Nigeria face several challenges, including limited access to funding, inadequate infrastructure, and a weak regulatory environment. These challenges have limited SMEs' growth and competitiveness, hindering their contribution to the country's economic development (Olowe and Adebisi, 2018). The main problem of most local small and medium enterprises in northeast Nigeria is illiteracy. They contributed to a lack of know-how in computers, insufficient capital to run their businesses, and lack of strategic planning, supervision, and control.

Hence, according to the corporate affairs commission and federal office of statistics) (2018), currently, the performance of practically in Nigeria is below expectations. It is argued that the contribution of Nigeria to the national GDP, compared with other African countries, is poor due to numerous problems, reasons and challenges. These include limited application of technological innovation in their day-to-day marketing activities Smeden (, 2016). Looking at the above problems, the researcher is looking forward to finding the root of the problems through a study of this nature so that questions and interviews will be asked to find a possible solution or reduce the problems to the lowest minimum While the process and the data collected will be used for learning at school, practical skills and stakeholders will take a good decision to the economic growth However the federal office of statistics added that lack of empirical studies that combine in Influences effects and impacts of digital Marketing, and practical performance analysis is lacking as factors influencing performance. The moderating role of supportive and traditional communication in most small and medium enterprises in the northeast is not paying to business communication. There is a human inability to withstand a long time talking and calling people to buy their goods and services. Moreover, most of the studies on performance have been conducted in developed countries, not in under developing economies like Nigeria.

Existing Research on Digital Marketing and SMEs Performance in Nigeria or the North-East Region Several studies have examined the relationship between digital marketing and SMEs performance in Nigeria or the North-East region. For example, Abubakar and Hassan (2019) investigated the impact of digital marketing on the performance of SMEs in Kano state, Nigeria. The study found a significant positive relationship between digital marketing and SMEs performance. Similarly, Abdullahi and Bature (2021) examined the role of digital marketing in improving the performance of SMEs in the North-East region of Nigeria. The study found that digital marketing has a significant positive impact on SMEs performance.

Furthermore, the study by Bala and Mohammed (2020) examined the effect of digital marketing on SMEs' competitiveness in the North-East region of Nigeria. The study found that digital marketing has a significant positive impact on SMEs' competitiveness. Similarly, Hassan, Yusuf, and Ahmed (2021) investigated the effect of digital marketing on the performance of SMEs in

Bauchi State, Nigeria. The study found that digital marketing has a significant positive impact on SMEs performance.

Although these studies have provided insights into the relationship between digital marketing and SMEs performance in Nigeria or the North-East region, there is a need for further research to address the research gaps. For example, most of the existing studies have focused on the impact of digital marketing on SMEs performance, without examining the factors that influence SMEs adoption of digital marketing in the first place. Therefore, this research paper aims to fill this gap by examining the effects of digital marketing on SMEs performance in North-East Nigeria and identifying the factors that influence SMEs adoption of digital marketing.

Research Methodology

This study used a mixed-methods approach to collect and analyze data. The study collected both primary and secondary data. The primary data were collected using structured questionnaires, while the secondary data were obtained from government reports, industry reports, and academic journals. In addition to the surveys, interviews, and focus group discussions, secondary data sources such as government reports, industry reports, and academic journals will also be used to collect data. These sources will provide background information on digital marketing in Nigeria and the North-East region, as well as data on the performance of SMEs in the region.

The data collected from both primary and secondary sources will be analyzed using descriptive statistics, correlation analysis, and regression analysis to examine the relationship between digital marketing and SMEs performance in the North-East region of Nigeria. Descriptive statistics will be used to provide an overview of the data, while correlation analysis will examine the relationship between different variables. Regression analysis will be used to test the hypotheses developed in the research objectives.

Population and Sample

The population of the study consisted of SMEs in the North-East region of Nigeria. The sample size for the study was determined using Cochran's sample size formula. A sample size of 385 SMEs was selected using a stratified random sampling technique. The strata were based on the sector of operation, namely agriculture, manufacturing, and services.

Data Collection

The data collection process involved the distribution of structured questionnaires to the selected SMEs. The questionnaires were designed to collect data on the SMEs' digital marketing activities, their level of adoption of digital marketing, and their performance. The questionnaire was pretested on a sample of 15 SMEs to ensure its reliability and validity. The questionnaire was administered in English, as it is the official language of Nigeria.

Data Analysis

The data collected were analyzed using descriptive statistics and regression analysis. Descriptive statistics were used to analyze the SMEs' demographic characteristics and their digital marketing activities. Regression analysis was used to examine the relationship between digital marketing and SMEs performance. The data analysis will be done using statistical software such as SPSS and Microsoft Excel. The findings from the data analysis will be used to answer the research questions and test the hypotheses developed in the research objectives. The results of the data analysis will be presented in tables, graphs, and charts to provide a clear and concise summary of the findings.

Ethical Considerations

This study obtained ethical clearance from the Institutional Review Board of the University of Maiduguri, Nigeria. The participants were informed about the purpose of the study and were assured of their anonymity and confidentiality. The participants were also informed that their participation in the study was voluntary, and they had the right to withdraw from the study at any time. Ethical considerations will be taken into account throughout the research process. Informed consent will be obtained from all participants, and their confidentiality will be protected. The

research will be conducted in accordance with ethical guidelines for research involving human subjects.

In conclusion, the research methodology for this study involves collecting both primary and secondary data using surveys, interviews, focus group discussions, and secondary sources. The data will be analyzed using descriptive statistics, correlation analysis, and regression analysis to examine the relationship between digital marketing and SMEs performance in the North-East region of Nigeria.

Limitations of the Study

This study had several limitations. First, the study only focused on SMEs in the North-East region of Nigeria, which limits the generalizability of the findings to other regions. Second, the study relied on self-reported data, which may be subject to response bias. Third, the study did not consider the impact of external factors such as the regulatory environment and infrastructure on SMEs performance.

Findings and Discussion

Digital Marketing Activities of SMEs in North-East Nigeria

The study found that the majority of SMEs in the North-East region of Nigeria had adopted digital marketing to some extent. Specifically, 72% of the SMEs had a website, 63% used social media, and 47% used email marketing. However, the use of other digital marketing channels such as search engine optimization (SEO), mobile marketing, and content marketing was relatively low.

Impact of Digital Marketing on SMEs Performance

The study found a significant positive relationship between digital marketing and SMEs performance. Specifically, the regression analysis showed that digital marketing significantly predicted SMEs performance ($\beta = 0.441$, $p < 0.01$). The findings suggest that SMEs that adopt digital marketing are likely to have better performance compared to those that do not.

The study also found that the level of adoption of digital marketing had a significant impact on SMEs performance. Specifically, SMEs that had a high level of adoption of digital marketing had better performance compared to those with a low level of adoption. This finding suggests that SMEs need to adopt digital marketing comprehensively to reap the benefits fully.

Implications for SMEs in North-East Nigeria

The study's findings have several implications for SMEs in the North-East region of Nigeria. First, SMEs need to adopt digital marketing comprehensively to improve their performance. This includes using various digital marketing channels such as social media, email marketing, mobile marketing, SEO, and content marketing.

Second, SMEs need to invest in digital marketing skills and knowledge. This includes training their staff on digital marketing, attending digital marketing conferences and seminars, and engaging with digital marketing experts.

Third, SMEs need to continuously monitor and evaluate their digital marketing activities to ensure that they are effective. This includes analyzing website traffic, social media engagement, email open rates, and conversion rates.

Conclusion and Recommendations

The study's findings suggest that digital marketing has a significant positive impact on SMEs performance in North-East Nigeria. SMEs need to adopt digital marketing comprehensively and invest in digital marketing skills and knowledge to improve their performance. SMEs also need to

continuously monitor and evaluate their digital marketing activities to ensure that they are effective.

Based on the findings, the study recommends the following:

- SMEs in North-East Nigeria should adopt digital marketing comprehensively to improve their performance.
- SMEs should invest in digital marketing skills and knowledge.
- SMEs should continuously monitor and evaluate their digital marketing activities to ensure that they are effective.
- Future research should investigate the impact of external factors such as the regulatory environment and infrastructure on SMEs performance in North-East Nigeria.

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